



DIVISION OF
ENFORCEMENT

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
100 PEARL STREET, SUITE 20-100
NEW YORK, NY 10004-2616

November 6, 2023

VIA ECF

Hon. John G. Koeltl
United States District Judge
Southern District of New York
500 Pearl Street, Room 14A
New York, New York 10007

Application granted. The stay
lifted. The parties should provide
a status report by 11/7/24.
So ordered. JGK/Kelley
11/7/23

Re: *Securities and Exchange Commission v. Santillo, et al.*, 18-cv-5491 (S.D.N.Y.): U.S.D.-5.
Status Report and Letter-Motion to Lift Stay

Dear Judge Koeltl:

Pursuant to the Court's July 24, 2023 Order (Dkt. 143), Plaintiff Securities and Exchange Commission (the "Commission") respectfully submits this status report.

On July 31, 2023, the Court *sua sponte* ordered the matter stayed, indicating that it is "awaiting additional materials in this case." (Dkt. 144). As detailed below, the Commission continues its efforts to settle this matter. In addition, since all five individual defendants have now been sentenced in their related criminal cases, the Commission requests that the Court lift the stay.

Counsel for Defendant Paul Anthony LaRocco does not oppose lifting of the stay. Counsel for Defendant John Piccarreto has not responded to the Commission's inquiries about his position on lifting the stay. Commission counsel has been unable to contact the *pro se* Defendants—Perry Santillo, Christopher Parris, and Thomas Brenner—to obtain their position on lifting the stay.

Status of Criminal Proceedings and Settlement Efforts as to Each Individual Defendant:

1. Defendant **Perry Santillo** was sentenced to 210 months in prison on January 28, 2022, in *United States v. Santillo*, 19-cr-6135-FPG-1 (W.D.N.Y.) and is incarcerated in Kentucky. Defendant Santillo and the Commission staff have agreed to a settlement in principle.
2. Defendant **Christopher Parris** was sentenced to 220 months in prison on December 19, 2022, in *United States v. Parris*, 21-cr-06185-FPG (W.D.N.Y.) and is incarcerated in Mississippi. The Commission staff has reached out to Defendant Parris to commence settlement discussions.
3. Defendant **John Piccarreto** was sentenced to 84 months in prison on November 1, 2021, in *United States v. Piccarreto*, 21-cr-6039-FPG-1 (W.D.N.Y.) and is incarcerated in

Hon. John G. Koeltl
November 6, 2023
Page 2

Pennsylvania. In January 2023, Commission counsel Ms. Dina S. Levy conferred with Defendant Piccarreto's counsel, Mr. Joseph Salvatore Damelio, on proposed settlement terms. Mr. Damelio agreed to accept settlement papers on his incarcerated client's behalf. In April 2023, Ms. Levy mailed draft settlement papers to Mr. Damelio's Rochester, NY offices. The Commission staff has since made repeated efforts¹ to contact Mr. Damelio to advance settlement discussions but has not received a response.

4. Defendant **Thomas Brenner** was sentenced to 125 months in prison on October 17, 2023, in *United States v. Brenner*, 21-cr-772-DCN (N.D. Ohio). The Commission staff is making efforts to locate Defendant Brenner to commence settlement discussions.
5. Finally, the Commission recently learned that Defendant **Paul Anthony LaRocco** pleaded guilty to a one-count Information on October 20, 2022, and was sentenced to 60 months in prison on February 3, 2023, in *United States v. LaRocco*, 22-cr-6147-FPG (W.D.N.Y.). The Commission staff has commenced settlement discussions with Defendant LaRocco's counsel, Mr. Michael P. Schiano.

Accordingly, Commission counsel respectfully requests the Court to lift the stay and proposes to file a status report on the progress of settlement efforts by January 22, 2024.

Respectfully submitted,
/s/ Sushila Rao Pentapati
Sushila Rao Pentapati

cc: All parties (via ECF)

¹ Specifically, since UPS delivered the Commission's proposed settlement papers to Mr. Damelio's offices on April 14, 2023, multiple Commission counsel have attempted to contact Mr. Damelio's offices by phone, email, and WebEx on at least April 19, May 5, October 19, October 27, October 31, and November 3, 2023.